

REFERENCE TITLE: schools; parental educational choice grants.

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2118

Introduced by
Representatives Biggs, Murphy

AN ACT

AMENDING TITLE 15, CHAPTER 8, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 1.3; AMENDING TITLE 43, CHAPTER 10, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 43-1033; RELATING TO EDUCATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 8, Arizona Revised Statutes, is amended
3 by adding article 1.3, to read:

4 ARTICLE 1.3. PARENTAL EDUCATIONAL CHOICE GRANTS

5 15-818. Findings and legislative purpose

6 THE LEGISLATURE FINDS AND DECLARES:

7 1. THERE IS A CRISIS IN ELEMENTARY AND SECONDARY EDUCATION IN THIS
8 COUNTRY. MANY SCHOOLCHILDREN, PARTICULARLY THOSE WHOSE PARENTS ARE POOR, ARE
9 PERFORMING SIGNIFICANTLY BELOW NATIONAL STANDARDS. OTHER CHILDREN ARE
10 DROPPING OUT OF SCHOOL BEFORE COMPLETING THE ORDINARY COURSE OF SECONDARY
11 EDUCATION. SUBSTANTIAL NUMBERS OF YOUNG PEOPLE ARE LEAVING SCHOOL WITHOUT
12 THE BASIC SKILLS AND KNOWLEDGE THAT WILL ENABLE THEM TO FIND AND HOLD A JOB
13 OR OTHERWISE FUNCTION AS PRODUCTIVE CITIZENS.

14 2. THE FREEDOM OF PARENTS TO CHOOSE SCHOOLS FOR THEIR CHILDREN THAT
15 ARE ACCEPTABLE TO THEIR PERSONAL EDUCATIONAL CONVICTIONS IS AN INHERENT AND
16 INALIENABLE PERSONAL RIGHT UNDER THE STATE AND FEDERAL CONSTITUTIONS. THE
17 CURRENT SYSTEM OF SCHOOL FINANCE LIMITS PARENTS' FREEDOM TO SELECT SCHOOLS
18 THAT THEY BELIEVE CAN PROVIDE THEIR CHILDREN WITH A QUALITY EDUCATION.

19 3. ALLOWING PARENTS TO CHOOSE SCHOOLS, PUBLIC AS WELL AS PRIVATE, FOR
20 THEIR CHILDREN WILL PROMOTE A HEALTHY COMPETITION AMONG SCHOOLS AND EMPOWER
21 PARENTS TO INFLUENCE EDUCATIONAL POLICIES AND PROCEDURES, LEADING TO BETTER
22 QUALITY EDUCATION. COMPETITION CAN ALSO LEAD TO LOWER COSTS AS WASTE AND
23 UNNECESSARY EXPENDITURES OF PUBLIC MONIES ARE NO LONGER TOLERATED.

24 4. THIS ARTICLE IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC BENEFIT
25 AND SERVES A SECULAR PUBLIC PURPOSE.

26 15-818.01. Definitions

27 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

28 1. "CUSTODIAN" MEANS A RESIDENT OF THIS STATE WHO IS A PARENT OR THE
29 LEGAL GUARDIAN OF A QUALIFYING PUPIL.

30 2. "GRANT" MEANS A GRANT OF AID MADE UNDER THIS ARTICLE TO A
31 QUALIFYING PUPIL, THROUGH THE QUALIFYING PUPIL'S CUSTODIAN, TO BE USED BY AND
32 FOR THE BENEFIT OF THE PUPIL AS PROVIDED IN THIS ARTICLE.

33 3. "GRANT SCHOOL" MEANS A PRIVATE SCHOOL, WHETHER SECULAR OR
34 SECTARIAN, THAT MAINTAINS ONE OR MORE GRADE LEVELS FROM KINDERGARTEN THROUGH
35 GRADE TWELVE AND THAT ELECTS AND IS ENTITLED TO PARTICIPATE IN AND REDEEM
36 GRANTS PURSUANT TO THIS ARTICLE.

37 4. "QUALIFYING PUPIL" MEANS A STUDENT WHO IS ELIGIBLE TO RECEIVE A
38 GRANT UNDER THIS ARTICLE.

39 15-818.02. Parental educational choice grant program; nature of
40 grants

41 A. THE PARENTAL EDUCATIONAL CHOICE GRANT PROGRAM IS ESTABLISHED UNDER
42 WHICH EACH CUSTODIAN OF A QUALIFYING PUPIL WHO COMPLETES AN APPLICATION FOR A
43 GRANT UNDER THIS ARTICLE SHALL RECEIVE A GRANT THAT IS TO BE REDEEMED AT THE
44 GRANT SCHOOL IN WHICH THE QUALIFYING PUPIL ENROLLS AND APPLIED TOWARD PAYMENT

1 OF THE TUITION AND FEES PAYABLE FOR THE EDUCATIONAL AND RELATED SERVICES
2 PROVIDED TO THE QUALIFYING PUPIL BY THAT GRANT SCHOOL.

3 B. A GRANT PROVIDED UNDER THIS ARTICLE CONSTITUTES A GRANT OF AID TO A
4 QUALIFYING PUPIL THROUGH THE QUALIFYING PUPIL'S RESPECTIVE CUSTODIAN AND NOT
5 TO THE GRANT SCHOOL IN WHICH THE QUALIFYING PUPIL IS ENROLLED. THE GRANT
6 DOES NOT CONSTITUTE TAXABLE INCOME TO THE CUSTODIAN OR THE QUALIFYING PUPIL.

7 C. A QUALIFYING PUPIL SHALL NOT RECEIVE A GRANT FOR ANY PORTION OF A
8 SCHOOL YEAR IN WHICH THE QUALIFYING PUPIL IS ENROLLED IN A PRIVATE SCHOOL
9 THAT DOES NOT REDEEM GRANTS UNDER THIS ARTICLE.

10 D. A CUSTODIAN IS FREE TO CHOOSE ANY GRANT SCHOOL FOR ENROLLMENT OF
11 THE QUALIFYING PUPIL, AND THAT CHOICE OR SELECTION IS NOT AND SHALL NOT BE
12 DEEMED TO BE A DECISION OR ACT OF THIS STATE OR ANY OF ITS POLITICAL
13 SUBDIVISIONS.

14 15-818.03. Grant eligibility

15 A. A PUPIL IS ELIGIBLE TO RECEIVE A GRANT UNDER THIS ARTICLE IF BOTH:

16 1. DURING THE SCHOOL YEAR IN WHICH THE GRANT IS TO BE EFFECTIVE, THE
17 PUPIL MEETS ALL OF THE FOLLOWING CONDITIONS:

18 (a) RESIDES IN THIS STATE.

19 (b) IS UNDER TWENTY-TWO YEARS OF AGE AND HAS NOT GRADUATED FROM HIGH
20 SCHOOL OR OBTAINED A GENERAL EQUIVALENCY DIPLOMA.

21 (c) ENROLLS AS A FULL-TIME PUPIL IN A GRANT SCHOOL AT A GRADE LEVEL IN
22 WHICH ALL QUALIFYING PUPILS IN THAT GRADE ARE ENTITLED TO RECEIVE A GRANT
23 PURSUANT TO THIS ARTICLE.

24 2. DURING THE YEAR BEFORE QUALIFYING FOR AND ACCEPTING A GRANT, THE
25 PUPIL WAS ENROLLED IN AND ATTENDING A PUBLIC SCHOOL IN THIS STATE FOR AT
26 LEAST NINETY PER CENT OF THE SCHOOL YEAR. PUPILS ENTERING KINDERGARTEN OR
27 FIRST GRADE ARE EXEMPT FROM THE PREVIOUS SCHOOL YEAR ATTENDANCE ELIGIBILITY
28 REQUIREMENT.

29 B. A QUALIFYING PUPIL WHO RECEIVES A GRANT PURSUANT TO THIS ARTICLE
30 SHALL CONTINUE TO RECEIVE A GRANT EACH YEAR IF THE QUALIFYING PUPIL COMPLETED
31 ALL NECESSARY COURSEWORK TO BE PROMOTED TO AT LEAST THE NEXT GRADE LEVEL IN
32 THE GRANT SCHOOL, THE QUALIFYING PUPIL IS IN GOOD ACADEMIC STANDING WITH THE
33 GRANT SCHOOL AND THE CUSTODIAN COMPLETES ALL APPLICATIONS REQUIRED BY THE
34 GRANT SCHOOL AND THE DEPARTMENT.

35 15-818.04. Implementation schedule

36 BEGINNING WITH THE 2008-2009 SCHOOL YEAR, EACH QUALIFYING PUPIL IN A
37 KINDERGARTEN PROGRAM, GRADE ONE AND GRADE SEVEN IN A GRANT SCHOOL IS ENTITLED
38 TO RECEIVE A GRANT. BEGINNING WITH THE 2009-2010 SCHOOL YEAR, EACH
39 QUALIFYING PUPIL IN GRADES TWO, THREE, EIGHT AND NINE IS ENTITLED TO RECEIVE
40 A GRANT. BEGINNING WITH THE 2010-2011 SCHOOL YEAR, EACH QUALIFYING PUPIL IN
41 GRADES FOUR AND TEN IS ENTITLED TO RECEIVE A GRANT. BEGINNING WITH THE
42 2011-2012 SCHOOL YEAR, EACH QUALIFYING PUPIL IN GRADES FIVE AND ELEVEN IS
43 ENTITLED TO RECEIVE A GRANT. BEGINNING WITH THE 2012-2013 SCHOOL YEAR, EACH
44 QUALIFYING PUPIL IN GRADES SIX AND TWELVE IS ENTITLED TO RECEIVE A GRANT.

15-818.05. Participation by grant schools: report

A. A PRIVATE SCHOOL, WHETHER SECULAR OR SECTARIAN, THAT MAINTAINS ANY GRADE IN WHICH AN ENROLLED QUALIFYING PUPIL IS ENTITLED TO RECEIVE A GRANT PURSUANT TO THIS ARTICLE SHALL OPT EACH SCHOOL YEAR TO PARTICIPATE OR NOT PARTICIPATE IN THE GRANT PROGRAM ESTABLISHED UNDER THIS ARTICLE. A SCHOOL THAT WISHES TO PARTICIPATE IN THE PROGRAM AS A GRANT SCHOOL MUST COMPLETE A NOTICE OF INTENT TO PARTICIPATE WITH THE DEPARTMENT BY FEBRUARY 15 OF EACH CALENDAR YEAR FOR INCLUSION IN THE PROGRAM FOR THE FOLLOWING SCHOOL YEAR.

B. A PRIVATE SCHOOL THAT PARTICIPATES IN THE GRANT PROGRAM AND THAT IS ENTITLED TO REDEEM A GRANT FOR A QUALIFYING PUPIL WHO ENROLLS IN THAT GRANT SCHOOL IS NOT REQUIRED TO ACCEPT THE GRANT AS FULL PAYMENT FOR THE EDUCATIONAL AND RELATED SERVICES THAT THE SCHOOL PROVIDES TO THAT QUALIFYING PUPIL AND MAY CHARGE THE QUALIFYING PUPIL AN ADDITIONAL AMOUNT REPRESENTING THE BALANCE OF THE TUITION AND FEES THAT REMAINS PAYABLE AFTER CREDITING THE QUALIFYING PUPIL WITH THE AMOUNT OF THE GRANT RECEIVED BY THE QUALIFYING PUPIL UNDER THIS ARTICLE. A PRIVATE SCHOOL THAT REDEEMS GRANTS UNDER THIS ARTICLE SHALL USE THE GRANT PROCEEDS SOLELY TO PROVIDE EDUCATIONAL GOODS, SERVICES AND FACILITIES FOR ITS QUALIFYING PUPILS AND IS NOT ENTITLED TO RECEIVE, FOR REDEEMING A GRANT, ANY AMOUNT IN EXCESS OF THE TUITION AND FEES CUSTOMARILY CHARGED BY THE SCHOOL TO COVER THE COST OF PROVIDING THOSE EDUCATIONAL GOODS, SERVICES AND FACILITIES.

C. EACH GRANT SCHOOL SHALL:

1. ENSURE THE ELIGIBILITY OF EACH APPLICANT FOR A GRANT ISSUED PURSUANT TO THIS ARTICLE.

2. ON OR BEFORE AUGUST 1 OF EACH YEAR, SUBMIT A LIST OF QUALIFYING PUPILS AND THE CONTACT INFORMATION OF EACH CUSTODIAN OF A QUALIFYING PUPIL ACCEPTED INTO THE SCHOOL FOR THAT SCHOOL YEAR TO THE DEPARTMENT.

3. SUBMIT A LIST OF QUALIFYING PUPILS ENROLLED IN AND ATTENDING THE SCHOOL WITH A GRANT AS OF THE DATE OF THE REPORT TO THE DEPARTMENT ON AUGUST 15, OCTOBER 15, JANUARY 15 AND APRIL 15 OF EACH YEAR. THE REPORT SHALL CONSTITUTE THE BASE PUPIL LEVEL OF QUALIFYING PUPILS. THE BASE PUPIL LEVEL SHALL ACCURATELY REFLECT THE NUMBER OF QUALIFYING STUDENTS ENROLLED IN AND ATTENDING THE GRANT SCHOOL.

4. ANNUALLY MEET AT LEAST ONE OF THE FOLLOWING STANDARDS:

(a) AT LEAST SEVENTY PER CENT OF THE QUALIFYING PUPILS IN THE PROGRAM ADVANCE AT LEAST ONE GRADE LEVEL EACH YEAR.

(b) THE GRANT SCHOOL'S AVERAGE ATTENDANCE RATE FOR THE PUPILS IN THE PROGRAM IS AT LEAST NINETY PER CENT.

(c) AT LEAST EIGHTY PER CENT OF THE QUALIFYING PUPILS IN THE PROGRAM DEMONSTRATE SIGNIFICANT ACADEMIC PROGRESS.

(d) AT LEAST SEVENTY PER CENT OF THE FAMILIES OF QUALIFYING PUPILS IN THE PROGRAM MEET PARENT INVOLVEMENT CRITERIA ESTABLISHED BY THE GRANT SCHOOL.

5. PROVIDE TEST RESULTS TO THE PARENT OR GUARDIAN OF EACH PUPIL IF THE SCHOOL ADMINISTERS A NATIONALLY STANDARDIZED NORM-REFERENCED ACHIEVEMENT TEST.

1 15-818.06. Annual list of grant schools: applications for
2 admission and grant

3 A. ON OR BEFORE MARCH 31, 2008 AND EACH MARCH 31 THEREAFTER, THE
4 DEPARTMENT SHALL ISSUE A PRESS RELEASE AND SHALL PUBLISH ON ITS WEBSITE A
5 LIST OF ALL GRANT SCHOOLS IN THE STATE THAT WILL REDEEM GRANTS UNDER THIS
6 ARTICLE FOR THE SCHOOL YEAR THAT BEGINS IN THAT CALENDAR YEAR. EACH SCHOOL
7 ON THE LIST SHALL BE IDENTIFIED BY AT LEAST CONTACT INFORMATION AND BY THE
8 GRADE LEVEL OR LEVELS FOR WHICH THE SCHOOL WILL REDEEM GRANTS FOR THAT SCHOOL
9 YEAR.

10 B. A CUSTODIAN WHO WISHES TO ENROLL A QUALIFYING PUPIL IN A GRANT
11 SCHOOL FOR ANY SCHOOL YEAR ON A GRANT THAT IS TO BE ISSUED UNDER THIS ARTICLE
12 SHALL COMPLETE AND SUBMIT, NOT LATER THAN JUNE 15 OF THE CALENDAR YEAR IN
13 WHICH THE SCHOOL YEAR THAT THE GRANT IS TO BE EFFECTIVE BEGINS, AN
14 APPLICATION TO THE GRANT SCHOOL ON A FORM PROVIDED BY THE SCHOOL. THE
15 APPLICATION SHALL BE FILED AT THE SAME TIME THAT THE CUSTODIAN SUBMITS THE
16 APPLICATION FOR A GRANT TO THE DEPARTMENT OF EDUCATION PURSUANT TO
17 SUBSECTION C. WITHIN FORTY-FIVE DAYS AFTER RECEIVING THE APPLICATION, THE
18 GRANT SCHOOL SHALL NOTIFY THE APPLICANT, IN WRITING, WHETHER THE APPLICATION
19 HAS BEEN ACCEPTED. IF THE GRANT SCHOOL REJECTS AN APPLICANT, THE QUALIFYING
20 PUPIL MAY USE THE GRANT TO APPLY FOR ENROLLMENT BEFORE JUNE 15 OF EACH YEAR
21 TO A PARTICIPATING GRANT SCHOOL THAT HAS SPACE AVAILABLE.

22 C. A CUSTODIAN WHO WISHES TO ENROLL A QUALIFYING PUPIL IN A GRANT
23 SCHOOL SHALL SUBMIT AN APPLICATION FOR A GRANT TO THE DEPARTMENT. THE
24 DEPARTMENT SHALL DEVELOP THE FORM OF APPLICATION FOR A GRANT AND SHALL
25 PUBLISH THE FORM ON ITS WEBSITE IN A FORMAT THAT MAY BE DOWNLOADED BY PUPILS
26 OR CUSTODIANS OF PUPILS WHO REQUEST THE FORM. THE GRANT FORM SHALL PROVIDE
27 FOR IDENTIFICATION OF A QUALIFYING PUPIL BY AT LEAST THE PUPIL'S NAME, DATE
28 OF BIRTH, ADDRESS, SCHOOL DISTRICT OF RESIDENCE, SCHOOL AND GRADE OF CURRENT
29 ENROLLMENT, SCHOOL TO WHICH APPLICATION FOR ADMISSION UNDER A GRANT IS BEING
30 MADE AND GRADE OF SCHOOL IN WHICH THE GRANT APPLIED FOR IS TO BE EFFECTIVE.

31 D. NOTWITHSTANDING ANY OTHER LAW, THE DEPARTMENT SHALL REDUCE THE
32 AVERAGE DAILY MEMBERSHIP OF THE PUBLIC SCHOOL OF PREVIOUS YEAR ATTENDANCE FOR
33 EACH QUALIFYING PUPIL WHO RECEIVES A GRANT PURSUANT TO THIS ARTICLE.

34 15-818.07. Grant value

35 A. A GRANT ISSUED UNDER THIS ARTICLE FOR THE BENEFIT OF A QUALIFYING
36 PUPIL IN KINDERGARTEN PROGRAMS AND GRADES ONE THROUGH EIGHT SHALL HAVE A
37 VALUE EQUAL TO THREE THOUSAND FIVE HUNDRED DOLLARS OR THE TOTAL AMOUNT OF
38 TUITION AND FEES CHARGED BY THE SCHOOL, WHICHEVER IS LESS. A GRANT ISSUED
39 UNDER THIS ARTICLE FOR THE BENEFIT OF A QUALIFYING PUPIL IN GRADES NINE
40 THROUGH TWELVE SHALL HAVE A VALUE EQUAL TO FOUR THOUSAND FIVE HUNDRED DOLLARS
41 OR THE TOTAL AMOUNT OF TUITION AND FEES CHARGED BY THE SCHOOL, WHICHEVER IS
42 LESS.

43 B. THE GRANT VALUE SHALL BE ANNUALLY ADJUSTED TO REFLECT THE
44 PERCENTAGE INCREASE IN THE BASE LEVEL PRESCRIBED IN SECTION 15-901.01.

1 15-818.08. Distribution of grant monies: transfer from grant
2 school; excess value of grant

3 A. THE MONIES TO PAY A GRANT THAT IS ISSUED FOR THE BENEFIT OF A
4 QUALIFYING PUPIL AND THAT IS TO BE EFFECTIVE DURING THE SCHOOL YEAR WITH
5 RESPECT TO WHICH THOSE MONIES ARE PAID SHALL BE DISTRIBUTED BY THE DEPARTMENT
6 IMMEDIATELY ON RECEIPT OF PROOF OF THE PUPIL'S ENROLLMENT IN THE GRANT SCHOOL
7 DURING A SCHOOL YEAR AND IN THE FORM OF A GRANT TO THE CUSTODIAN. THE
8 CUSTODIAN SHALL RESTRICTIVELY ENDORSE THE GRANT FOR THE USE OF THE GRANT
9 SCHOOL AND SURRENDER THE GRANT TO THE GRANT SCHOOL. THE GRANT SCHOOL SHALL
10 IMMEDIATELY CREDIT THE ACCOUNT OF THE CUSTODIAN OF THE QUALIFYING PUPIL AND
11 APPLY THE GRANT FOR THE BENEFIT OF THE QUALIFYING PUPIL IN PAYMENT OF THE
12 TUITION AND FEES DUE FROM, OR THE COSTS OF PROVIDING EDUCATIONAL AND RELATED
13 SERVICES TO, THAT PUPIL.

14 B. THE DEPARTMENT SHALL ANNUALLY MAKE FOUR PAYMENTS TO A GRANT SCHOOL
15 BASED ON THE BASE PUPIL LEVEL PURSUANT TO SECTION 15-818.05, SUBSECTION C,
16 PARAGRAPH 3. THE PAYMENTS SHALL BE ISSUED TO THE GRANT SCHOOLS ON SEPTEMBER
17 1, NOVEMBER 1, FEBRUARY 1 AND MAY 1.

18 C. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, IF A
19 QUALIFYING PUPIL TRANSFERS FROM A GRANT SCHOOL TO ANOTHER SCHOOL DURING THE
20 SCHOOL YEAR IN WHICH A GRANT ISSUED FOR THE BENEFIT OF THAT PUPIL IS
21 EFFECTIVE, THE GRANT SCHOOL FROM WHICH THE PUPIL TRANSFERS SHALL:

22 1. PROVIDE WRITTEN NOTICE OF THE TRANSFER, WITHIN TEN DAYS AFTER THE
23 TRANSFER OCCURS, TO THE DEPARTMENT.

24 2. RETURN TO THE DEPARTMENT, TO BE HELD IN TRUST AND MAINTAINED BY THE
25 DEPARTMENT IN THE NAME OF THE TRANSFERRING PUPIL'S CUSTODIAN FOR THE BENEFIT
26 OF THAT PUPIL, ANY GRANT MONIES ALREADY PAID OR DISTRIBUTED TO THE GRANT
27 SCHOOL UNDER SUBSECTION A OF THIS SECTION FOR THE BENEFIT OF THAT PUPIL FOR
28 THAT SCHOOL YEAR AND NOT YET DUE OR EARNED AS TUITION AND FEES OR AS THE COST
29 OF PROVIDING EDUCATIONAL AND RELATED SERVICES FOR THAT PUPIL FOR THAT SCHOOL
30 YEAR.

31 15-818.09. Parental educational choice grant fund

32 A. THE PARENTAL EDUCATIONAL CHOICE GRANT FUND IS ESTABLISHED
33 CONSISTING OF LEGISLATIVE APPROPRIATIONS. THE DEPARTMENT SHALL ADMINISTER
34 THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY APPROPRIATED. MONIES IN THE
35 FUND SHALL BE USED FOR PARENTAL EDUCATIONAL CHOICE GRANTS PURSUANT TO THIS
36 ARTICLE.

37 B. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190
38 RELATING TO LAPSING OF APPROPRIATIONS.

39 C. THE DEPARTMENT MAY USE UP TO ONE PER CENT OF THE ANNUAL LEGISLATIVE
40 APPROPRIATION FOR PAYMENT OF THE COSTS AND EXPENSES THAT ARE INCURRED BY THE
41 DEPARTMENT IN PERFORMING THE DUTIES AND RESPONSIBILITIES UNDER THIS ARTICLE.

1 15-818.10. Violations: classification

2 A PERSON WHO DOES ANY OF THE FOLLOWING IS GUILTY OF A CLASS 6 FELONY:

3 1. USES OR ATTEMPTS TO USE A GRANT OR CERTIFICATE OF GRANT FOR ANY
4 PURPOSE OTHER THAN THOSE PERMITTED BY THIS ARTICLE.

5 2. WITH INTENT TO DEFRAUD, KNOWINGLY FORGES, ALTERS OR MISREPRESENTS
6 INFORMATION ON A GRANT OR CERTIFICATE OF GRANT OR ON ANY DOCUMENTS SUBMITTED
7 IN APPLICATION FOR A GRANT.

8 3. ISSUES OR DELIVERS ANY GRANT, CERTIFICATE OF GRANT OR OTHER GRANT
9 RELATED DOCUMENT KNOWING IT HAS BEEN FORGED, ALTERED OR BASED ON
10 MISREPRESENTATION.

11 4. POSSESSES, WITH INTENT TO ISSUE OR DELIVER, ANY GRANT, CERTIFICATE
12 OF GRANT OR OTHER GRANT RELATED DOCUMENT KNOWING IT HAS BEEN FORGED, ALTERED
13 OR BASED ON MISREPRESENTATION.

14 15-818.11. Limitation on regulation of private schools

15 A. IN ANY LEGAL PROCEEDING CHALLENGING THE APPLICATION OF THIS ARTICLE
16 TO A PRIVATE SCHOOL, THIS STATE BEARS THE BURDEN OF ESTABLISHING THAT THE LAW
17 IS NECESSARY AND DOES NOT IMPOSE ANY UNDUE BURDEN ON PRIVATE SCHOOLS.

18 B. A PRIVATE SCHOOL SHALL NOT BE REQUIRED TO ALTER ITS CREED,
19 PRACTICES OR CURRICULUM IN ORDER TO REDEEM GRANTS ISSUED PURSUANT TO THIS
20 ARTICLE OR IN ORDER TO PARTICIPATE AS A GRANT SCHOOL.

21 15-818.12. Program termination

22 THE PARENTAL EDUCATIONAL CHOICE GRANT PROGRAM ESTABLISHED BY THIS
23 ARTICLE ENDS ON JULY 1, 2017 PURSUANT TO SECTION 41-3102.

24 Sec. 2. Title 43, chapter 10, article 3, Arizona Revised Statutes, is
25 amended by adding section 43-1033, to read:

26 43-1033. Parental educational choice grants not taxable income

27 PARENTAL EDUCATIONAL CHOICE GRANTS AWARDED PURSUANT TO TITLE 15,
28 CHAPTER 8, ARTICLE 1.3 SHALL NOT BE CONSIDERED TAXABLE INCOME OF THE
29 CUSTODIAN OF THE CHILD OR THE CHILD WHO RECEIVES THE PARENTAL EDUCATIONAL
30 CHOICE GRANT.